STATE OF TENNESSEE

POSITRON EMISSION TOMOGRAPHY (PET) SERVICES 2008 ALLOCATION GUIDELINES

DEPARTMENT OF FINANCE & ADMINISTRATION
DIVISION OF HEALTH PLANNING
21st Floor, Wm. R. Snodgrass Building
312 Eighth Avenue, North
Nashville, TN 37243

Prepared by the Division of Health Planning Staff on February 4, 2008

Dave Goetz
Commissioner
Dept. of Finance and Administration

State Capitol
Nashville, TN 37243-0285
615/741-2401

February 4, 2008

Re: State Health Plan; Proposed 2008 Allocation Guidelines for Positron Emission Tomography (PET) Services

Dear Interested Party:

I have recently joined the State as the Director of the Division of Health Planning ("the Division"), assuming the task of working with State Departments and Agencies and other stakeholders to develop a new State Health Plan, among other duties.

Deputy Commissioner of Health Jim Shulman and I have discussed the progress he and his staff made on updating certain criteria and standards for the Certificate of Need process while he was in his former position as Executive Assistant to the Commissioner of Finance and Administration. The first product of this endeavor, the proposed 2008 Allocation Guidelines for PET Services (the "Allocation Guidelines"), with additional changes incorporated since my arrival, is attached to this letter.

We believe that the Allocation Guidelines should reflect information received from industry stakeholders and the public. We welcome your comments and ask that you review the Allocation Guidelines and provide those comments to us by February 29, 2008.

The Division of Health Planning will continue to research and analyze how best to build consensus on the development of the State Health Plan, and we will keep you apprised of our progress. Thank you for your time and assistance.

Sincerely,

Jefferson H. Ockerman
Director, Division of Health Planning

Dave Goetz
Commissioner
Dept. of Finance and Administration

State Capitol
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February 4, 2008

Set out below is certain background and explanatory information regarding the changes in the proposed 2008 Allocation Guidelines for Positron Emission Tomography (PET) services.

Basis for Revisions. In examining the need for new standards, the Division of Health Planning (the "Division") reviewed both the existing guidelines and the work produced by the former Health Planning and Advisory Board. We also carefully considered key criteria from other states and information from the American Health Planning Association and other organizations. We believe that the Allocation Guidelines reflect current and accepted industry standards.

Number of PET Services Units; Under-Utilization. Our research shows that Tennessee PET services units are under-utilized according to industry-recognized capacity standards. We believe that the current projected utilization standards for receipt of a certificate of need (CON) for PET services units overestimate the need for PET services units and encourage duplication of their services, failing to contribute to the orderly development of adequate and effective PET services.

New Minimum Number of Procedures Standard. The Allocation Guidelines require that an applicant for a CON for a new stationary PET services unit provide evidence substantiating a projected minimum of 1,000 procedures in the first full year of service and a projected minimum of 1,600 procedures per year for each subsequent year of service, instead of 750 procedures per year. No longer is there an exemption for mobile unit applicants proposing to provide fewer than 150 days of service; these applicants need to provide evidence substantiating a projected minimum 400 procedures in the first full year and 960 procedures for each subsequent year of service, instead of 750 procedures per year.

Exception to Number of Procedures Standard. We have refined the permitted exception to the number of procedures standard, relating it specifically to health policy needs or medically underserved geographic areas with respect to documented prevalence of clinical conditions applicable to the use of PET services.

Accessibility. All applicants must document that the location of the proposed PET services unit be accessible to approximately 75% of the service area's population. At this time, demonstrating the meeting of this standard is left up to the applicant.

Out of State Service Area. In the event a proposed service area includes non-Tennessee counties, the applicant must provide utilization data for the non-Tennessee counties.

Data Development; Economic and Geographic Access. Part of our development of the State Health Plan requires the gathering and analysis of detailed utilization data on healthcare services in Tennessee. At this time, we do not have sufficient PET services unit utilization data to analyze. To begin to address this problem, the Allocation Guidelines require that detailed, de-identified utilization data be reported annually to the Agency and this Division. Once sufficient, timely data is available, we may revisit the Allocation Guidelines and consider a demand-based forecasting model, calculating projected cancer incidence rates by county and cancer type, as well as geographic and economic access to PET services.

Definitions. We have added a definitions section in the Allocation Guidelines.

Health Planning Decision Support System Project. The Division is in the process of developing a data-gathering support system that should assist the Agency and this Division as we continue to revise allocation guidelines for PET and other services and projects.

Jefferson H. Ockerman
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Definitions

Capacity: The measure of the maximum number of PET scans per PET unit per year based upon the type of PET equipment to be used (i.e., stationary or mobile).

Mobile PET Unit: A PET unit and transporting equipment that is moved to provide services at two or more host facilities, including facilities located in adjoining or contiguous states of the Continental United States.

Mobile PET Unit Capacity: The optimal efficiency of a mobile PET unit at a single host site is 960 procedures per year or 80% of total capacity. Total capacity of a mobile PET scanner is 1,200 procedures per year and is based upon a daily operating efficiency of at least eight (8) procedures per day x three (3) days per week or approximately 150 days of operation per year.

PET Procedure: A PET diagnostic scan or combination of scans performed on a single patient in a single session. This unit of measure is directly related to and verified by the provider's common procedure terminology code (CPT) code) utilized to document the patient session.

PET Unit: Diagnostic equipment (often referred to as a "scanner") that uses a positron camera (tomograph) to produce cross-sectional tomographic images (this process is often referred to as a "scan"). The images are obtained from positron emitting radioactive tracer substances (radiopharmaceuticals) such as 2-(F-18) Fluoro-D-Glucose (FDG) which are administered intravenously to the patient. The radioactive tracers may be produced on-site, e.g. with a cyclotron, or may be ordered from commercial distributors. As a result, factors such as equipment cost, geographic distribution and availability of distributors, and other related factors (regulatory compliance/certification) shall be considered by the Agency in its review of all PET applications.

PET units compliment the information obtained from CT and MRI equipment that are used to depict form (tissues and bones). First developed in the 1970s, initial PET scanners were dedicated machines performing only that service. PET scanners can be either fixed (stationary) or mobile. Current technological adaptations include hybrid machines, such as combined PET-CT (computed tomography) scanners that are capable of performing a variety of nuclear medicine studies.

PET Unit Service Area: The counties, or portions thereof, representing a reasonable area in which a health care institution intends to provide PET unit services, including, but

not limited to oncology and cardiology diagnostic and treatment services, and in which at least 75% of its service recipients reside. A fully operational PET unit (a PET unit that operates at least eight (8) hours a day, five (5) days a week shall be located at a site that allows reasonable access for residents of the service area.

Positron Emission Tomography (PET): A noninvasive diagnostic imaging procedure that assesses the level of metabolic activity and perfusion in various organ systems of the human body (source: The Center for Medicare and Medicaid Services). PET differs from other nuclear medicine modalities in the type of radiation emitted and in the type of scanner required to detect it. By measuring the distributions of certain radiotracers in the body some time after they have been administered, PET can be used to diagnose physical abnormalities and to study body functions in normal subjects.

Stationary PET Unit: A non-moveable PET unit housed at a single permanent location.

Stationary Pet Unit Capacity: The optimal efficiency for a stationary PET unit is 1,600 procedures per year. Total capacity of a stationary PET unit is 2,000 procedures per year and is based upon a daily operating efficiency of eight procedures per day x 250 days of operation per year. Note: The total capacity measure of stationary PET units is expected to increase as result of advances in equipment technology and improvements in provider operating efficiencies.

Service Area Capacity: The estimate of the number of PET units needed in a given service area. The estimate is based upon an optimal efficiency of 1,600 procedures per year for a stationary PET unit and an optimal efficiency of 960 procedures per year for a mobile PET unit, and the quantitative estimate of the number of patients who potentially could benefit from PET diagnostic services, especially those patients pertaining to the following categories:

- those patients where the use of PET unit services is essential to the diagnosis, treatment, or surveillance of cancer, including, but not limited to, melanoma, colorectal cancer, lung cancer and lymphoma; and
- those patients who are either non-emergent candidates for open heart surgery or therapeutic cardiac catheterization procedures; and
- those patients with a diagnosis of partial complex epilepsy for whom surgical intervention is being considered; and
- any other patient population that may benefit from the accessibility to stationary or mobile PET unit services as a result of expanded clinical applications and changes in the reimbursement of PET service by third party payors, including those pertaining to programs administered by the Center for Medicare and Medicaid Services.

In addition to the above determinants of service area capacity, applicants shall consider demographic patterns, including the results of estimates of population health risk factors and population-based cancer, heart disease, or other applicable clinical incidence rates.

The clinical data must be consistent with that included in the State Health Plan, when available, or with clinical data prepared by the Tennessee Department of Health if data is not available from the State Health Plan. Applicants shall also document the extent, if any, of diagnostic oncology, cardiac and neurological medical services in the proposed service area in its determination of the need for PET unit services.

Standards

1. Applicants proposing a new stationary PET unit must project a minimum of at least 1,000 PET procedures in the first year of service, building to a minimum of 1,600 procedures per year by the second year of service and for every year thereafter. Providers proposing a mobile PET unit must project a minimum of at least 400 mobile PET procedures in the first year of service, building to a minimum of 960 procedures per year by the second year of service and for every year thereafter. The projection of need for the PET unit, whether by stationary or mobile unit, must include demographic patterns, including analysis of applicable population-based health status factors, estimated utilization by patient clinical diagnoses category (ICD-9), and documentation demonstrating that the applicant is providing or has referral arrangements with other medical providers that offer comprehensive cancer and cardiac diagnostic and treatment services.

2. All providers applying for a proposed new PET unit shall document that the proposed location is accessible to approximately 75% of the service area's population. Applications that include non-Tennessee counties in their proposed service areas shall provide evidence of the number of existing PET units that service the non-Tennessee counties and the impact on PET unit utilization in the non-Tennessee counties, including the specific location of those units located in the non-Tennessee counties, their utilization rates, and their capacity.

3. All providers shall document that alternate shared services and lower cost technology applications have been investigated and found less advantageous in terms of accessibility, availability, continuity, cost, and quality of care.

4. Any provider proposing a new mobile PET unit must demonstrate that it offers or contracts with providers that offer as a minimum, cancer treatment services, including radiation, medical and surgical oncology services.

5. A need exists for one additional stationary PET unit in a service area when the combined average utilization of existing PET service providers is at or above 80% of the total capacity of 2,000 procedures during the most recent twelve-month period reflected in the Joint Annual Report maintained by the Tennessee Department of Health or the provider medical equipment report maintained by the Tennessee Health Services and Development Agency, whichever includes the larger number of existing PET service providers. The total capacity per PET unit is based upon the following formula:

Stationary Units: Eight (8) procedures/day x 250 days/year = 2,000 procedures/year
Mobile Units: Eight (8) procedures /day x 150 days/year= 1,200 procedures/year

The provider shall demonstrate that its acquisition of an additional stationary or mobile PET unit in the service area has the means to perform at least 1,000 PET procedures or 400 mobile PET procedures, respectively, in the first full one-year period of service operations, and at least 1,600 stationary PET procedures or 960 mobile PET procedures, respectively, for every year thereafter. The provider shall also demonstrate the degree to which it either offered or contracted with cancer and heart disease diagnostic and treatment services for patients in the service area.

6. The applicant must provide evidence that the PET unit is safe and effective for its proposed use.

   a. The United States Food and Drug Administration (FDA) shall certify the proposed PET unit for clinical use.

   b. The applicant must demonstrate that the proposed PET procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

   c. The applicant must demonstrate how emergencies within the PET unit facility will be managed in conformity with accepted medical practice.

   d. The applicant must establish protocols that assure that all clinical PET procedures performed are medically necessary and will not unnecessarily duplicate other services.

   e. The PET unit must be under the medical direction of a licensed physician. The applicant shall provide documentation that attests to the nature and scope of the duties and responsibilities of the physician medical director. Clinical supervision and interpretation services must be provided by physicians who are licensed to practice medicine in the state of Tennessee and are board certified in Nuclear Medicine or Diagnostic Radiology. Licensure for the handling of medical isotopes and radiopharmaceuticals by the Nuclear Regulatory Commission is required. Those qualified physicians that provide interpretation services must have additional documented experience and training, credentialing, and/or board certification in the appropriate specialty and in the use and interpretation of PET procedures.

   f. All applicants must seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its

physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

7. The applicant shall provide assurances that the following data regarding the PET unit will be kept and reported to the Health Services and Development Agency, the Department of Health, and the Department of Finance & Administration annually within 31 days after the end of each calendar year:

   a. Total number of procedures performed;

   b. Total number of inpatient procedures (indicate type of procedure);

   c. Total number of outpatient procedures (indicate type of procedure);

   d. De-identified patient demographic and origin/residence data;

   e. Average charge per specific procedure;

   f. Hours of operation of the PET unit;

   g. Days of operation per year of the PET unit; and

   h. Total revenue and expense for the PET unit for the year.

8. An exception to the standard number of procedures may be considered by the Health Services and Development Agency in accordance with the needs of health policy or mandate pertaining to medically underserved geographical areas, specifically with respect to the documented prevalence of cancer, heart disease, neurological impairment or other clinical conditions applicable to PET unit services. The applicant must fully document that the proposed PET service offers a unique and necessary opportunity to favorably contribute to the improved health status of residents in the proposed service area.

POSITRON EMISSION TOMOGRAPHY (PET)

1. The applicant shall demonstrate that the geographical area comprising the proposed service area has a population and a medical community sufficient to utilize the positron emission tomography device at a rate of 750 PET procedures per year.

2. Applicants proposing new PET services must project a minimum of 750 PET clinical procedures/year in its proposed specific geographical area, and the projection methodology must be shown.

3. Approval of additional PET services will be made only when it is demonstrated that each existing PET service in the applicant's geographical service area is performing 1,125 clinical procedures per PET unit per year based on the following formula:

   5 clinical procedures/day x 225 working days/year = 1,125 procedures/year

4. The applicant must provide evidence that the proposed PET equipment is safe and effective for its proposed use:

   a. The United States Food and Drug Administration (FDA) shall certify the proposed equipment for clinical use.

   b. The applicant must demonstrate the proposed PET's services will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

   c. The applicant must demonstrate how emergencies within the PET facility will be managed in conformity with accepted medical practice.

   d. The applicant must establish protocols that assure that all clinical PET procedures performed are medically necessary and will not unnecessarily duplicate other services.

   e. The applicant must provide supervision and interpretation by a board certified radiologist or physician demonstrating experience and training in the relevant imaging procedure, with certification by the appropriate regulatory body.

5. An exception to the standard number of procedures may occur as new or improved technology and equipment or new diagnostic applications for this type of service are developed. The applicant must demonstrate that the proposed unit offers a unique and necessary technology for the provision of health services in the geographical service area.

6. Mobile units would not be subject to the need standard in #1 above if fewer than 150 days of service per year are provided at a given location. However, the applicant must demonstrate that existing services in the applicant's geographical area are not adequate and/or there are special circumstances that require additional services.

PET Comparison Criteria and Standards

	Service Area	PET Prodedures/year	Need Methodology
Georgia	13 geographic regions	1500 capacity	Demand based forecasting model*
Iowa	Metropolitan statistical area (as defined by the U.S. Office of Management and Budget)	minimum of 1000 procedures/year	Demand based forecasting model
Kentucky	County of the proposed PET program and all contiguous counties	minimum of 1200 by second full year of service	Demand based forecasting model
Massachusetts	Population of at least 1.6 million people	minimum of 1250 scans annually	The applicant must specify the statistical method used to make projections.
Michigan	Six planning areas consisting of counties grouped into health service areas	minimum of 2600 scans annually	Demand based forecasting model
Mississippi	The state as a whole	minimum of 750 procedures/year	Minimum population of 300,000 per PET scanner unit
Missouri	A geographic region appropriate to the proposed service, documented by the applicant and approved by the committee.	minimum 1000 procedures/year	Population based need formula
North Carolina	Divided into six health service areas	2600 capacity	Utilization rate of existing PET scanners in the health service area.*
South Carolina	Based on the service standard, which is a combination of utilization criteria and travel time requirements	1500 capacity	Demand based forecasting model
Virginia	Either an entire regional health planning are designated by the state, or an area with a population of at least 1.5 million people.	at least 1500 procedures/year	Demand based forecasting model
West Virginia	N/A	at least 1250 procedures/year	Documentation of PET services referrals and need projection

*** Demand based forecasting model allows applicants to demonstrate a reasonable potential utilization of a PET unit based on diversified inpatient and outpatient case mix thresholds. These include intracranial cases, cardiovascular cases, and neoplasms. Some states like Georgia have a formula for the applicant to follow while other states allow the applicant to develop their own demand based formula.**

*** North Carolina State Medical Facilities Plan projects specifc equipment need on annual basis rather than allowing applicants to demonstrate a reasonable need in a particular service area.**

PET Scanner - Utilization (as of 11/28/2007)

County	Facility Type	Facility	Year	Number of	Mobile?	Total Procedures	Total Charges
Blount	HOSP	Blount Memorial Hospital	2005	1	Fixed	322	$1,177,598.00
Blount	HOSP	Blount Memorial Hospital	2006	1	Fixed	416	$1,681,516.00
Bradley	PO	Cleveland Radiology Associates	2004	1	Mobile (3 Days)	451	$1,196,388.00
Bradley	PO	Cleveland Radiology Associates	2005	1	Mobile (3 Days)	491	$1,604,676.00
Bradley	PO	Cleveland Radiology Associates	2006	1	Mobile (3 Days)	606	$2,221,168.00
Coffee	HOSP	Harton Regional Medical Center (John W.)	2005	1	Mobile (1 Day)	44	$157,200.00
Coffee	HOSP	United Regional Medical Center	2006	1	Fixed	384	$2,425,661.78
Cumberland	HOSP	Cumberland Medical Center, Inc.	2005	1	Mobile (1 Day)	179	$429,600.00
Cumberland	HOSP	Cumberland Medical Center, Inc.	2006	1	Mobile (1 Day)	791	$1,912,132.00
Davidson	HOSP	Baptist Hospital	2003	1	Fixed	1548	$2,691,222.00
Davidson	HOSP	Baptist Hospital	2004	1	Fixed	1594	$2,949,578.00
Davidson	HOSP	Baptist Hospital	2005	2	Fixed	1363	$2,646,625.00
Davidson	HOSP	Baptist Hospital	2006	2	Fixed	1273	$3,728,837.00
Davidson	HOSP	Centennial Medical Center	2003	1	Fixed	229	$1,457,428.00
Davidson	HOSP	Centennial Medical Center	2004	1	Fixed	360	$2,551,923.00
Davidson	HOSP	Centennial Medical Center	2005	1	Fixed	403	$3,034,404.00
Davidson	HOSP	Centennial Medical Center	2006	1	Fixed	357	$2,887,488.00
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	2003	1	Fixed	34	$100,220.00
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	2004	1	Fixed	828	$2,840,610.00
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	2005	1	Fixed	984	$3,642,915.00
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	2006	1	Fixed	1089	$4,124,070.00
Davidson	ODC	Tennessee Oncology, PET Services	2003	1	Fixed	2544	$8,530,731.00
Davidson	ODC	Tennessee Oncology, PET Services	2004	1	Fixed	2548	$3,537,635.00
Davidson	ODC	Tennessee Oncology, PET Services	2005	1	Fixed	2770	$7,795,255.00
Davidson	ODC	Tennessee Oncology, PET Services	2006	1	Fixed	2953	$8,175,290.00
Davidson	HOSP	Vanderbilt University Hospital	2003	1	Fixed	1691	$4,317,261.00
Davidson	HOSP	Vanderbilt University Hospital	2004	1	Fixed	3119	$7,044,870.00
Davidson	HOSP	Vanderbilt University Hospital	2005	1	Fixed	4241	$9,584,784.00
Davidson	HOSP	Vanderbilt University Hospital	2006	1	Fixed	3122	$6,580,313.00
Greene	HOSP	Laughlin Memorial Hospital, Inc.	2004	1	Mobile (1 Day)	144	$227,952.00
Greene	HOSP	Laughlin Memorial Hospital, Inc.	2005	1	Mobile (1 Day)	165	
Greene	HOSP	Laughlin Memorial Hospital, Inc.	2006	1	Mobile (1 Day)	180	$596,863.00
Hamblen	HOSP	Morristown-Hamblen Healthcare System	2006	1	Mobile (1 Day)	78	$253,500.00
Hamilton	ODC	Chattanooga Imaging East	2003	1	Fixed	421	$0.00
Hamilton	ODC	Chattanooga Imaging East	2004	1	Mobile (2 Days)	376	$667,899.00
Hamilton	ODC	Chattanooga Imaging East	2005	1	Mobile (2 Days)	989	$2,329,509.00
Hamilton	ODC	Chattanooga Imaging East	2006	1	Fixed	641	$2,256,000.00
Hamilton	HOSP	Memorial Hospital	2003	1	Fixed	1243	$0.00
Hamilton	HOSP	Memorial Hospital	2005	1	Fixed	989	$3,214,640.00
Hamilton	HOSP	Memorial Hospital	2006	1	Fixed	774	$3,097,850.00
Knox	HOSP	Baptist Hospital of East Tennessee	2003	1	Mobile (1 Day)	179	$455,436.00

PET Scanner - Utilization (as of 11/28/2007)

County	Facility Type	Facility	Year	Number of	Mobile?	Total Procedures	Total Charges
Knox	HOSP	Baptist Hospital of East Tennessee	2004	1	Mobile (1 Day)	262	$1,078,449.00
Knox	HOSP	Baptist Hospital of East Tennessee	2005	1	Mobile (1 Day)	254	$1,317,484.00
Knox	HOSP	Baptist Hospital of East Tennessee	2006	1	Mobile (1 Day)	145	$896,692.57
Knox	ODC	East Tennessee Diagnostic Center	2006	1	Fixed	244	$1,479,195.00
Knox	HOSP	St. Mary's Medical Center	2003	1	Fixed	836	$2,369,052.00
Knox	HOSP	St. Mary's Medical Center	2004	1	Fixed	863	$2,591,816.00
Knox	HOSP	St. Mary's Medical Center	2005	1	Fixed	1008	$3,164,378.00
Knox	HOSP	St. Mary's Medical Center	2006	1	Fixed	1167	$3,857,419.00
Knox	ASTC	Thompson Cancer Survivor Center - West	2003	1	Fixed	1375	$4,992,424.00
Knox	ASTC	Thompson Cancer Survivor Center - West	2004	1	Fixed	1623	$6,474,848.00
Knox	ASTC	Thompson Cancer Survivor Center - West	2005	1	Fixed	1867	$9,306,290.00
Knox	ASTC	Thompson Cancer Survivor Center - West	2006	1	Fixed	2023	$10,393,387.00
Knox	HOSP	University of Tennessee Medical Hospital	2003	1	Fixed	875	$2,017,753.00
Knox	HOSP	University of Tennessee Medical Hospital	2004	2	Fixed	2467	$5,847,551.00
Knox	HOSP	University of Tennessee Medical Hospital	2005	2	Fixed	2497	$6,727,497.00
Knox	HOSP	University of Tennessee Medical Hospital	2006	2	Fixed	2469	$7,927,724.00
Madison	ODC	West Tennessee Imaging Center	2003	1	Fixed	136	$430,111.00
Madison	ODC	West Tennessee Imaging Center	2004	1	Fixed	489	$1,510,028.00
Madison	ODC	West Tennessee Imaging Center	2005	1	Fixed	484	$1,541,051.00
Madison	ODC	West Tennessee Imaging Center	2006	1	Fixed	596	$1,951,496.00
Maury	HOSP	Maury Regional Hospital	2003	1	Fixed	95	$299,940.00
Maury	HOSP	Maury Regional Hospital	2004	1	Fixed	308	$1,009,236.00
Maury	HOSP	Maury Regional Hospital	2005	1	Fixed	271	$945,800.00
Maury	HOSP	Maury Regional Hospital	2006	1	Mobile (1 Day)	243	$755,901.00
McMinn	HOSP	Athens Regional Medical Center	2004	1	Mobile (1 Day)	42	$406,284.00
McMinn	HOSP	Athens Regional Medical Center	2005	1	Mobile (1 Day)	96	$440,997.00
McMinn	HOSP	Athens Regional Medical Center	2006	1	Fixed	104	$0.00
Montgomery	HOSP	Gateway Medical Center	2003	1	Mobile	89	$292,762.00
Montgomery	HOSP	Gateway Medical Center	2004	1	Mobile	182	$378,287.00
Montgomery	HOSP	Gateway Medical Center	2005	1	Mobile	206	$394,127.00
Montgomery	HOSP	Gateway Medical Center	2006	1	Mobile (1 Day)	309	$578,604.00
Obion	HOSP	Baptist Memorial Hospital - Union City	2005	1	Mobile (1 Day)	54	$181,727.00
Obion	HOSP	Baptist Memorial Hospital - Union City	2006	1	Mobile (1 Day)	98	$358,444.00
Putnam	HOSP	Cookeville Regional Medical Center	2005	1	Fixed	68	$181,030.00
Putnam	HOSP	Cookeville Regional Medical Center	2006	1	Fixed	497	$1,312,975.00
Rutherford	ODC	Tennessee PET Scan Center	2005	1	Fixed	168	$362,519.00
Rutherford	ODC	Tennessee PET Scan Center	2006	1	Fixed	1171	$6,889,008.00
Shelby	HOSP	Baptist Memorial Hospital - Memphis	2003	1	Fixed	886	$2,617,758.00
Shelby	HOSP	Baptist Memorial Hospital - Memphis	2004	1	Fixed	888	$2,889,645.00
Shelby	HOSP	Baptist Memorial Hospital - Memphis	2005	1	Fixed	842	$2,724,860.00
Shelby	HOSP	Baptist Memorial Hospital - Memphis	2006	1	Fixed	936	$3,357,111.00

PET Scanner - Utilization (as of 11/28/2007)

County	Facility Type	Facility	Year	Number of	Mobile?	Total Procedures	Total Charges
Shelby	ODC	Central Memphis Regional PET Imaging Center, LLC	2003	1	Fixed	1186	$2,200,000.00
Shelby	ODC	East Memphis PET Imaging Center	2003	1	Fixed	739	$2,419,000.00
Shelby	ODC	East Memphis PET Imaging Center	2004	1	Fixed	718	$2,523,650.00
Shelby	ODC	East Memphis PET Imaging Center	2005	1	Fixed	978	$3,390,850.00
Shelby	ODC	East Memphis PET Imaging Center	2006	1	Fixed	940	$3,346,650.00
Shelby	HOSP	St. Jude Children's Research Hospital	2003	1	Fixed	189	$532,000.00
Shelby	HOSP	St. Jude Children's Research Hospital	2004	1	Fixed	530	$1,541,232.00
Shelby	HOSP	St. Jude Children's Research Hospital	2005	1	Fixed	631	$2,191,408.00
Shelby	HOSP	St. Jude Children's Research Hospital	2006	1	Fixed	701	$2,751,330.00
Shelby	PO	University of Tennessee Cancer Institute - PET	2006	1	Fixed	136	$797,368.00
Shelby	ASTC/ODC	West Clinic, P.C., The	2004	1	Fixed	491	$0.00
Shelby	ASTC/ODC	West Clinic, P.C., The	2005	1	Fixed	785	$0.00
Shelby	ASTC/ODC	West Clinic, P.C., The	2006	1	Fixed	1385	$6,370,430.00
Sullivan	HOSP	Wellmont Bristol Regional Medical Center	2003	1	Mobile (2 Days)	261	$1,247,211.00
Sullivan	HOSP	Wellmont Bristol Regional Medical Center	2004	1	Mobile (2 Days)	296	$1,516,098.00
Sullivan	HOSP	Wellmont Bristol Regional Medical Center	2005	1	Mobile (2 Days)	287	$1,625,981.00
Sullivan	HOSP	Wellmont Bristol Regional Medical Center	2006	1	Mobile (2 Days)	403	$1,406,740.00
Sullivan	HOSP	Wellmont Holston Valley Medical Center	2003	1	Mobile (3 Days)	466	$2,149,636.00
Sullivan	HOSP	Wellmont Holston Valley Medical Center	2004	1	Mobile (3 Days)	558	$2,928,423.00
Sullivan	HOSP	Wellmont Holston Valley Medical Center	2005	1	Mobile (3 Days)	678	$3,500,365.00
Sullivan	HOSP	Wellmont Holston Valley Medical Center	2006	1	Mobile (3 Days)	1185	$2,886,214.00
Washington	HOSP	Johnson City Medical Center	2003	1	Mobile (2 Days)	415	$1,090,600.00
Washington	HOSP	Johnson City Medical Center	2004	1	Mobile (2 Days)	611	$1,732,843.00
Washington	HOSP	Johnson City Medical Center	2005	1	Mobile (2 Days)	903	$3,058,814.00
Washington	HOSP	Johnson City Medical Center	2006	1	Fixed	1463	$6,501,334.00
Williamson	HOSP	Williamson Medical Center	2003	1	Mobile (1 Day)	25	$60,256.00
Williamson	HOSP	Williamson Medical Center	2004	1	Mobile (1 Day)	264	$610,858.00
Williamson	HOSP	Williamson Medical Center	2005	1	Mobile (1 Day)	255	$648,237.00
Williamson	HOSP	Williamson Medical Center	2006	1	Mobile (1 Day)	164	$785,892.00

PET Scanners (11/13/2007)

County	Facility Type	Facility	Fixed/ Mobile	Shared?	Shared With?	No. Days	Brand Name	Scanner Type
Blount	HOSP	Blount Memorial Hospital	Fixed	No		0	GE Discovery ST	PET/CT
Bradley	PO	Cleveland Radiology Associates	Mobile	No		3	CTI Reveal RT	PET/CT
Coffee	HOSP	Harton Regional Medical Center	Mobile	No		1		PET/CT
Coffee	HOSP	United Regional Medical Center	Fixed	No		0	Philips Gemini 16	PET/CT
Cumberland	HOSP	Cumberland Medical Center, Inc.	Mobile	No		1	Siemens	PET/CT
Davidson	HOSP	Baptist Hospital	Fixed	No		0	Positron	PET Only
Davidson	HOSP	Baptist Hospital	Fixed	No		0	Positron	PET Only
Davidson	HOSP	Centennial Medical Center	Fixed	No		0	Adac C PET Plus	PET Only
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	Fixed	No		0	GE	PET/CT
Davidson	ODC	Tennessee Oncology, PET Services	Fixed	No		0		PET/CT
Davidson	HOSP	Vanderbilt University Hospital	Fixed	No			GE Medical Systems	PET/CT
Franklin	HOSP	Southern Tennessee Medical Center	Mobile	No		1	Siemens	PET/CT
Greene	HOSP	Laughlin Memorial Hospital, Inc.	Mobile	No		1	Siemens	PET/CT
Hamblen	HOSP	Morristown-Hamblen Healthcare System	Mobile	No		1	Siemens ECAT LSO PET/CT	PET/CT
Hamilton	ODC	Chattanooga Imaging East	Fixed	No			CTI Siemens	PET/CT
Hamilton	ODC	Diagnostic PET/CT of Chattanooga	Fixed	No		0		PET/CT
Hamilton	HOSP	Memorial Hospital	Fixed	No		0	GE	PET/CT
Knox	HOSP	Baptist Hospital of East Tennessee	Mobile	No		1		PET/CT
Knox	ODC	East Tennessee Diagnostic Center	Fixed	No		0	Siemens AG Biograph 6	PET/CT
Knox	HOSP	St. Mary's Medical Center	Fixed	No		0	GE DST	PET/CT
Knox	ASTC	Thompson Cancer Survivor Center - West	Fixed	No		0	CT Siemens	PET/CT
Knox	HOSP	University of Tennessee Medical Hospital	Fixed	No		0	Siemens Biograph 6	PET/CT
Knox	HOSP	University of Tennessee Medical Hospital	Fixed	No		0	Siemens Biograph 16	PET/CT
Madison	ODC	West Tennessee Imaging Center	Fixed	No		0	GE	PET/CT
Maury	HOSP	Maury Regional Hospital	Mobile	No		1	GE	PET Only
McMinn	HOSP	Athens Regional Medical Center	Mobile	No		1	CTI	PET/CT
Montgomery	HOSP	Gateway Medical Center	Mobile	No		1		PET Only
Obion	HOSP	Baptist Memorial Hospital - Union City	Mobile	No		0	Siemens	PET/CT
Putnam	HOSP	Cookeville Regional Medical Center	Fixed	No		0	Siemens	PET/CT
Rutherford	ODC	Tennessee PET Scan Center	Fixed	No		0	GE DST	PET/CT
Shelby	HOSP	Baptist Memorial Hospital - Memphis	Fixed	No		0	GE Advance NXI	PET Only
Shelby	ODC	Central Memphis Regional PET Imaging Center, LLC	Fixed	No		0		
Shelby	ODC	East Memphis PET Imaging Center	Fixed	No		0	Philips Gemini TF 16	
Shelby	HOSP	St. Jude Children's Research Hospital	Fixed	No		0	GE Medical	PET/CT

County	Facility Type	Facility	Fixed/ Mobile	Shared?	Shared With?	No. Days	Brand Name	Scanner Type
Shelby	PO	Univ of Tennessee Cancer Institute - PET	Fixed	No		0	Siemens	PET/CT
Shelby	ASTC/ ODC	West Clinic, P.C., The	Fixed	No		0	Philips Gemini GXL 16	PET/CT
Sullivan	HOSP	Wellmont Bristol Regional Medical Ctr	Mobile	No		2		PET/CT
Sullivan	HOSP	Wellmont Holston Valley Medical Center	Mobile	No		3		PET/CT
Washington	HOSP	Johnson City Medical Center	Fixed	No		0	Siemens	PET/CT
Washington	ODC	LifeScan Tennessee, LLC	Fixed	No			GE	PET Only
Williamson	HOSP	Williamson Medical Center	Mobile	No		1	GE NXI	PET Only

Certificate of Need Coverage Summary
By State, 2006

State	Air Ambulance	Burn Care	Cardiac Catheterization	Gamma Knives	Hospice	LTAC	Nursing Home Beds/LTC Beds	Mobile HI Tech	NICU	Open Heart Surgery	PET Scanners	Radiation Therapy	Renal Dialysis	Subacute Services	Swing Beds	Number of Services/Equip	Review Thresholds: Facility Capital	Review Thresholds: Medical Equipment	Review Thresholds: New Services
Alabama	√	√	√	√	√	√	√		√	√		√	√		√	21	4,554,545	2,277,272	Any Amount
Alaska		√	√	√		√	√	√	√	√	√	√	√	√		22	1,100,000	1,100,000	1,100,000
Arkansas				√	√		√			·			√		√	7	500,000	N/A	N/A
Connecticut	√	√	√	√	√	√	√	√	√	√	√					20	3,000,000	3,000,000	Any Amount
Delaware			√			√	√				√	√				8	5,800,000	5,000,000	N/A
Dist. of Columbia			√	√		√	√	√	√	√		√				18	2,500,000	1,500,000	Any Amount
Florida					√	√	√		√					√		11	N/A	N/A	N/A
Georgia			√	√		√	√		√	√	√	√				17	1,575,034	875,018	Any Amount
Hawaii		√	√	√	√	√	√		√	√	√		√		√	22	4,000,000	1,000,000	Any Amount
Illinois			√		√	√	√		√	√			√	√	√	17	7,167,063	6,575,036	Any Amount
Iowa			√			√	√			√	√	√				10	1,500,000	1,500,000	500,000
Kentucky			√		√	√	√	√	√	√	√	√		√		19	2,380,123	2,380,123	N/A
Louisiana							√									2	N/A	N/A	Any LTC/ICF-MR
Maine	√	√	√	√		√	√	√	√	√	√	√	√		√	25	2,789,643	1,394,821	112,880
Maryland			√		√	√	√		√	√				√		17	10,000,000	N/A	N/A
Massachusetts	√			√			√		√	√	√	√				14	13,592,292	1,449,844	Any Amount
Michigan	√				√	√	√	√	√	√	√	√			√	18	2,655,000	Any Amount	Any Clinical
Mississippi**					√	√	√			√	√	√	√		√	18	2,000,000	1,500,000	Any Amount
Missouri					√	√	√	√			√	√				12	1,000,000*	1,000,000*	1,000,000*
Montana							√								√	7	1,500,000	N/A	150,000
Nebraska							√									2	Any LTC	N/A	N/A
Nevada							√									4	2,000,000	N/A	N/A
New Hampshire			√			√	√	√		√	√	√				13	2,306,616	400,000	Any Amount
New Jersey		√	√			√	√		√	√						12	1,000,000	1,000,000	Any Amount
New York		√	√		√		√	√	√	√	√	√	√			17	3,000,000	3,000,000	Any Amount
North Carolina	√	√	√	√	√	√	√	√	√	√	√	√	√	√		25	2,000,000	750,000	0
Ohio							√									1	2,000,000	N/A	N/A
Oklahoma							√									4	1,000,000	N/A	Any W/Beds
Oregon							√								√	2	Any LTC/Hosp	N/A	Any LTC/Hosp
Rhode Island			√	√		√	√	√	√	√	√	√		√		19	2,000,000	1,000,000	750,000*
South Carolina			√	√		√	√	√	√	√	√	√		√		19	2,000,000	600,000	1,000,000
Tennessee			√		√	√	√	√	√	√	√	√		√		18	2,000,000	1,500,000	Any W/Beds
Vermont	√		√		√	√	√	√	√	√	√	√	√		√	25	3,000,000	1,000,000	500,000
Virginia			√	√		√	√	√	√	√	√	√				19	5,000,000	Any Listed Equip	Any Listed Svc
Washington		√	√		√	√	√		√	√			√	√	√	17	Varies by Svc	N/A	Any Amount
West Virginia			√			√	√	√	√	√	√	√	√			20	2,000,000	2,000,000	Any Amount
Wisconsin							√							√		3	1,000,000	600,000	Any LTC
Number of States	27	27	10	1	26	13	16	17	15	22	26	17	37	3	15	18	23	12	25	19	20	25	21	23	11	6	11	18	11	3	

Source: AHPA, 2007.

* For selected services.

**Medical office buildings and CT scannners may be subject to CON regulation in some atypical circumstances.

State/District with CON Programs	Dates of Programs	Certificate of Need Contact Information	Individual CON Websites
Georgia	1979-present	**Robert Rozier**, Esq., Executive Director Phone: 404-657-7198; Fax: 404-656-0554 rrozier@dch.ga.gov	http://www.dch.georgia.gov
Iowa	1977-present	**Barb Nervig**, Program Manager Phone: 515-281-4344; Fax: 515-281-4958 bnervig@idph.state.ia.us	http://www.idph.state.ia.us/do/cert_of_need.asp
Kentucky	1972-present	**Shane O'Donley**, Division Director Phone: 502-564-9589; Fax: 502-564-0302	http://chfs.ky.gov/ohp/con
Massachusetts	1972-present	**Joan Gorga**, Acting Director Phone: 617-753-7340; Fax: 617-753-7349 Joan.Gorga@state.ma.us	http://www.state.ma.us/dph/dhcq/don.htm
Michigan	1972-present	**Larry Horvath**, Manager Phone: 517-241-3343; Fax: 517-241-2962 horvathl@michigan.gov	http://www.michigan.gov/con
Mississippi	1979-present	**Rachel Pittman**, Chief, P&RD Phone: 601-576-7874; Fax: 601-576-7530 rachel.pittman@msdh.state.ms.us	http://www.msdh.state.ms.us/msdhsite/
Missouri	1979-present	**Thomas Piper**, Director Phone: 573-751-6043; Fax: 573-751-7894 tpiper@mail.state.mo.us	http://www.dhss.mo.gov/con
North Carolina	1978-present	**Lee Hoffman**, Chief Phone: 919-855-3873; Fax: 919-733-8139 Lee.Hoffman@ncmail.net	http://facility-services.state.nc.us/
South Carolina	1971-present	**Joel C. Grice**, Director Phone: 803-545-4200; Fax: 803-545-4570 gricejc@dhec.sc.gov	http://www.scdhec.gov/hr/cofn/
Virginia	1973-present	**Erik Bodin**, Director Phone: 804-367-2126; Fax: 804-367-2206 Erik.Bodin@vdh.virginia.gov	http://www.cvhpa.org/COPN.htm

West Virginia	1977-present	**Dayle Stepp**, CON Director Phone: 304-558-7000; Fax: 304-559-7001 dstepp@hcawv.org	http://www.hcawv.org/CertOfNeed/conHome.htm